

January 19, 2006

TO: Incumbent Local Exchange Carrier (LEC) Annual Report Preparers

FROM: Christopher Larson, Public Utility Auditor - Principal  
Telecommunications Division  
Public Service Commission of Wisconsin

SUBJECT: Filing of the 2005 Public Service Commission of Wisconsin Annual  
Report for Incumbent LECs

The 2005 annual report software program for incumbent LECs is now available and must be used for filing of the 2005 LEC annual report with the Public Service Commission of Wisconsin (Commission). The due date for filing this report is **April 3, 2006**.

To download the 2005 annual report file(s) and associated installation instructions, browse to the Commission's Web page at <http://psc.wi.gov>, then click on the Annual Reports button on the left side of the page. Click on Telecommunications (2005) under Annual Reports Programs, and then Incumbent Local Exchange Carriers.

Please note the following concerning the 2005 LEC annual report:

**Assessable Revenues**

Please pay particular attention to reporting assessable revenues correctly on page 43. The Commission relies on this information to compute and bill assessments for remainder, telephone relay, and Universal Service Fund programs. Adjustments and refunds of assessments may involve a hearing, and objections received after the statutory appeal period **MAY BE DENIED**.

**Report in Thousands**

All dollar amounts should be reported to the nearest thousand dollars (in 000's). (Example: \$130,400 should be reported as \$130.) Amounts less than \$500 should be reported as \$0.

**Instructions and Help on Web**

Read and follow the Installation Instructions on the Commission's Web page. (This will require uninstalling program version 9.00.) System Requirements, as well as Schedule and Topic Help files, are also posted on the Commission's Web page.

**Changes from Last Year**

Only minor revisions have been made from the 2004 annual report.

**Amortization of Software**

In the Telecommunications Plant in Service schedule on page 22, please footnote the amortization rate for general purpose computer software and network software recorded in account 2690, Intangibles, per the Commission's December 20, 2002, order in docket 05-DT-105. Amounts associated with central office software should not be reported in account 2212; instead these amounts should be reported in account 2690.

**Leasehold Improvements**

Account 3420, Accumulated Amortization-Leasehold Improvements, has been eliminated, effective January 1, 2005. Class A LECs should report account 2682, Leasehold Improvements, net of account 3420.

**Central Office Data**

For the Central Office Data – End of Year (page 55) schedule, please note the following:

- a. The word "text" may initially appear for Record 1's Exchange and Central Office ID/Names at the top of the screen; if the user moves to the next record and comes back, the correct Exchange and Central Office ID/Names should appear.
- b. Be careful in using the Tab and Shift-Tab keys to navigate within this schedule, as unpredictable movement may occur.
- c. In the Digital Service Available category, the number of actual OC-3s and equivalent OC-3s (i.e., OC-12s, OC-48s, OC-196s, and OC-768s expressed as equivalent number of OC-3s) should be reported in total on the line for Optical Carrier (OC)-3 – In Use (However, for the DS-1 and DS-3 In Use lines in this category, report only actual DS-1s and DS-3s, respectively.)

**Access 2000**

Version 10.00 interfaces with Microsoft Access 2000 (as it did last year). However, at some future date (perhaps for the 2006 program) a more current version of Access may be used due to support being unavailable from Microsoft.

**Program Lockup**

If the program locks up, shut down all other software programs, reboot your computer, and restart the annual report program prior to contacting the Helpdesk. Shutting down other software programs while the annual report software program is being used minimizes potential problems.

**Filing Procedure**

Filing via e-mail using the 2005 program's capabilities is required unless additional provisional confidential treatment is desired. If filing via e-mail, no hardcopy printouts, CDs, Confidentiality Request forms, or notarized affidavits should be filed with the Commission. If additional confidential treatment is

desired, please contact Christopher Larson at (608) 267-9508 or [christopher.larson@psc.state.wi.us](mailto:christopher.larson@psc.state.wi.us), for further instructions.

### **Problems with Installing the Program or Exporting to PSC**

Depending on your company's computer security policy, you may require administrative rights to install the program on your computer, or export the annual report to the PSC.

### **Affiliated Interest**

Please review the status of your affiliated activities and ensure that all applicable affiliated interest agreements are filed with the Commission. Please refer to the letter from Telecommunications Division Administrator Mr. Gary Evenson, dated February 27, 2004, re: Telecommunications Affiliated Contracts and Arrangements (File 496PROC). A copy of this letter may be found in the Help for page 15, Affiliated Interest Transactions. You may review a listing of affiliated interest agreements on file with the Commission at <http://psc.wi.gov/apps/teleatf/default.asp>.

### **Check Back for Updates**

If necessary, the Commission may issue a subsequent maintenance release of the annual report program. You may not receive individual notification of a maintenance release, if any, associated with this program, or of the availability of subsequent years' annual report programs. You should periodically check the Commission's Web page at <http://psc.wi.gov> for information concerning annual reports.

### **Annual Report Helpdesk**

If after reading the above information, the help files included in the program, and on the web, you have problems, questions, or suggested improvements, please contact one of the following people:

#### **Main Contact:**

Cindy Gilles (608) 267-2893 [cindy.gilles@psc.state.wi.us](mailto:cindy.gilles@psc.state.wi.us)

#### **Technical Issues:**

Rita Chapman (608) 267-9536 [rita.chapman@psc.state.wi.us](mailto:rita.chapman@psc.state.wi.us)

#### **Content and Accounting Issues:**

Christopher Larson (608) 267-9508 [christopher.larson@psc.state.wi.us](mailto:christopher.larson@psc.state.wi.us)